



U.S. DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-69-2014)

Foreign-Trade Zone (FTZ) 155 – Calhoun/Victoria Counties, Texas
Notification of Proposed Production Activity
Tenaris Bay City, Inc.
(Seamless Steel Tubes and Pipes)
Bay City, Texas

The Calhoun-Victoria Foreign-Trade Zone, Inc., grantee of FTZ 155, submitted a notification of proposed production activity to the FTZ Board on behalf of Tenaris Bay City, Inc. (Tenaris), located in Bay City, Texas. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on September 25, 2014.

The applicant indicates that a separate application for subzone designation at the Tenaris facility will be submitted. Any such application would be processed under Section 400.38 of the Board's regulations. The Tenaris facility is used for the production of seamless steel tubes and pipes used in oil and gas production as well as other industrial applications (oil country tubular good casings and line pipes). Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Tenaris from customs duty payments on the foreign status components used in export production. On its domestic sales, Tenaris would be able to choose the duty rates during customs entry procedures that apply to: line pipes of iron or non-alloy steel; line pipes of other alloy steel; threaded or coupled casings of iron or non-alloy steel; non-threaded or non-coupled casings of iron or non-alloy steel; threaded or coupled casings of other alloy steel; non-threaded or non-coupled casings of other alloy steel; tubing of iron or non-alloy steel; tubing and casing of other alloy steel; and, tubing and casing of other alloy steel used in heat exchangers or refining furnaces (duty-

free) for the foreign status inputs noted below. Customs duties also could possibly be deferred or reduced on foreign status production equipment.

The components and materials sourced from abroad include: billets (round bars-alloy/steel); non-alloy round steel bars; couplings; plastic protectors and caps; thread compounds; corrosion inhibitors; solvents; thinners; non-threaded and non-coupled casings of iron or non-alloy steel; non-threaded and non-coupled casings of other alloy steel; tubing of iron or non-alloy steel; and, tubing of other alloy steel (duty rate ranges from duty-free to 6.5%).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: September 28, 2104.

Andrew McGilvray,
Executive Secretary.